

Stories from Vermonters highlight real impact of budget priorities

Washington, DC - Rep. Peter Welch today testified before the House Budget Committee using stories from Vermonters- ranging from Rutland's mayor and a Windsor mother to an Albany veteran and a family in Pownal- to highlight the real impact of the federal budget.

As the Budget Committee begins consideration of President George Bush's proposed 2009 budget, Welch chose to highlight five budget priorities in his testimony including veterans funding, home heating assistance, federal law enforcement support, health care costs and college affordability.

Drawing on stories from the last year, Welch emphasized that "the federal budget is not an abstract document confined to the halls of Washington. Rather, it has a direct impact on citizens across the country."

"I would like to use my time today to illustrate its real world impact on people, in particular, the people I represent in Vermont," Welch began. "I want to share with you the voices of Vermonters by highlighting the cases of several Vermonters I have talked to over the last year. These are Vermonters for whom the decisions we make in this budget will make a real difference in their ability to make ends meet in these difficult economic times."

Welch's full testimony is below:

**Congressman Peter Welch
Statement before the House Committee on the Budget
February 28, 2008**

Mr. Chairman, Ranking Member Ryan, and Members of the Committee, I would like to thank you for this opportunity to discuss the federal budget and its impact on the State of Vermont. The federal budget is not an abstract document confined to the halls of Washington. Rather, it

has a direct impact on citizens across the country.

Rather than make a traditional presentation detailing the impact of the President's budget on programs, I would like to use my time today to illustrate its real world impact on people, in particular, the people I represent in Vermont. I want to share with you the voices of Vermonters by highlighting the cases of several Vermonters I have talked to over the last year. These are Vermonters for whom the decisions we make in this budget will make a real difference in their ability to make ends meet in these difficult economic times.

Scott West is a veteran of the National Guard who lives in the town of Albany in the Northeast Kingdom of Vermont. He used to drive a truck for a living. While deployed to Kuwait in support of Operation Iraqi Freedom, Scott suffered injuries to his shoulder, back, and wrist. In May the pain from his injuries got so bad that he couldn't continue his job as a truck driver.

is a veteran of the National Guard who lives in the town of **Albany** in the Northeast Kingdom of Vermont. He used to drive a truck for a living. While deployed to Kuwait in support of Operation Iraqi Freedom, Scott suffered injuries to his shoulder, back, and wrist. In May the pain from his injuries got so bad that he couldn't continue his job as a truck driver.

Nearly nine months ago Mr. West filed a claim for increased disability compensation from the VA, and as of today, he continues to wait for the VA to process his paperwork and award him the benefits to which he is entitled. His next hearing isn't scheduled until April 15, which will be nearly a full year from when he first filed his claim. Meanwhile, he has virtually run out of money and his bills continue to mount.

Last year, this Committee made an unprecedented commitment to the care of our nation's veterans, budgeting the largest funding increase in the 77-year history of the Veterans Administration and a larger increase than the combined total of the six previous years in Congress. This increase will allow the VA to hire an additional 1,800 claims processors to help ensure that veterans like Scott will receive the support they deserve in a timely manner. I thank you for your leadership and would respectfully encourage the Committee to continue this commitment to veterans as it develops a budget for 2009.

Peter and Irma McShane live in Pownal, Vermont. They are senior citizens who live very frugally on \$1452 per month with very little, if any, to spare. Incredibly, they make \$22 too much to qualify for food stamps, so they always use coupons and shop around to make sure they get the best deals on basic necessities.

But no amount of thriftiness can make up for the dramatic increases in the price of home heating oil we have seen in the last year. Purchasing enough heating oil to last the winter would cost the McShanes over \$1500. As the cold weather began to hit Vermont last fall, Peter and Irma needed help, or they were not going to be able to afford to heat their home. Fortunately, they applied for fuel assistance through the state in November and received much needed help through the Low-Income Home Energy Assistance Program (LIHEAP).

LIHEAP is indispensable to ensuring that Vermonters like the McShanes don't have to choose between heating their home or putting a meal on the table. Even as fuel prices have skyrocketed, tripling since 2001, President Bush's budget would cut LIHEAP by \$367 million below the amount needed to maintain services at the current level. Vermont alone will lose \$1.87 million when adjusted for inflation. I strongly encourage the Committee to restore and expand LIHEAP funding so that none of our neighbors already struggling to get by are put at risk when confronted with heating their homes next winter.

Meanwhile, I would like to share with you a letter I received a couple of weeks ago from **Margaret Kinne** of **Fletcher**

, Vermont about the rising cost of health care premiums that force her to pay deductibles so large that it calls into the point of even having insurance. She and her husband ran their own woodworking business for 13 years, often working 6 or 7 days a week. Each year, her health insurance always cost more, and provided less coverage. Her deductibles have increased from \$5,000 to \$10,000 to \$25,000. She writes:

"This to me translates to no insurance... we actually avoid going to the doctor because we can't do that and afford the monthly premiums... We are seriously thinking about giving it up and going with no insurance... but we are in our sixties (still a few years from Medicare) and it seems to be the wrong time in our lives to be without insurance."

While we cannot fix our nation's healthcare crisis through the federal budget alone -- this will require comprehensive health care reform, which I support -- we can help by making investments that lower cost and extend coverage. Unfortunately, President Bush's proposed budget takes us in exactly the wrong direction, calling for over half a trillion dollars in cuts to Medicare and Medicaid. These cuts will force states to cut back on coverage and will further raise insurance premiums by exacerbating the cost shift. I encourage the Committee to reject

these reckless cuts and to work to ensure that families like the Kinnes can obtain coverage at an affordable price.

I recently had the chance to sit down with **Police Chief Anthony Bossi** from the city of **Rutland**

Vermont. Rutland has seen a frightening increase in violent crime and drug abuse over the past year and has experienced multiple drug related shootings in recent months. The scope of the problem is beyond what can be addressed with local and state resources alone. So Chief Bossi relies on funding from the federal sources to expand Rutland's law enforcement and drug prevention capabilities.

Despite the proven track record of the Byrne grant program in reducing crime in Vermont and across the country, President Bush would cut funding by \$174 million below what is needed to maintain services at the current level. In Vermont, this will result in a loss of \$435,000, essentially defunding as many as 13 police officer positions. The city of Rutland is not alone in their need for additional resources to fight the scourge of illegal drugs in their community. Towns in all corners of Vermont, from Rutland, to Barre, to St. Albans, are experiencing similarly worrisome trends. For those communities, small and large, that are struggling to prevent violent crime, I urge the Committee to reverse this cut.

Finally, **Gretchen Austin-Ward** from **Windsor** recently called my office to express her frustration about the rising cost of a college education. Already burdened by the debt of sending her first two children through college, she simply cannot afford to send her third child to school.

When we first began offering Pell grants in the late 1970s, they covered 77 percent of the average cost of a four-year public institution. Today, they cover just 36 percent. This trend cannot continue.

Congress has taken positive steps over the past year, cutting the interest rates on Stafford loans and increasing the size of the Pell grant. We made the largest commitment to college affordability since the GI Bill passed in 1944. We must now work to fully fund these critical programs.

But at the same time, the federal government cannot simply write blank checks to our country's

institutions of higher education. If every increased dollar in financial aid gets burned by an increased dollar in tuition, students, families, and taxpayers will continue to fall behind. While we must provide financial assistance to families in need, we must insist that colleges and universities do more to reduce costs and stem the hikes in tuition rates.

Thank you again for the opportunity to convey these Vermont stories to you today. I look forward to working with you over the next several weeks to craft a budget that is fiscally responsible and reflects the needs and priorities of Vermonters and of all Americans.